

County of Los Angeles INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

July 30, 2015

To:

Mayor Michael D. Antonovich

Supervisor Hilda L. Solis

Supervisor Mark Ridley-Thomas

Supervisor Sheila Kuehl Supervisor Don Knabe

From:

Dave Chittenden

Chief Deputy Director

Subject:

RETROACTIVE CONTRACTS ANNUAL REPORT

In May 2007, the Retroactive Contract Review Committee (RCRC) was established to review any retroactive contract(s) before departments could proceed with placing the item on your Board's agenda for approval. As part of the RCRC review process, departments are required to prepare a report explaining the circumstances that led to the retroactive occurrence, the corrective action measures to be implemented to prevent reoccurrences, and any disciplinary actions imposed. For each retroactive matter, the RCRC provides a final recommendation that must be included in the subsequent Board letter.

As indicated on the attachment, Consolidated Fire Protection District of Los Angeles County presented retroactive occurrences to the RCRC involving three contracts totaling \$3,296,478 during Fiscal Year 2014-15. The reason for the retroactive occurrences was attributable to inadequate contract monitoring by the department, which resulted in services that exceeded the maximum contract sum.

Proactive Measures

As part of our ongoing efforts to reduce retroactive contracts, the RCRC will continue to work with departments who bring forward retroactive contracts to assess the circumstances that lead to non-compliance and to make recommendations to improve their processes.

Each Supervisor July 30, 2015 Page 2

ISD will continue to report to your Board on an annual basis for retroactive contracts. If you have any questions regarding this memorandum, please contact me at (323) 267-2103.

DC:JS:YY:gk

Attachment

c: ISD Board Deputies
Chief Executive Office
Department Heads
Administrative Deputies
Contracting/Monitoring Managers Committee

ANNUAL RETROACTIVE CONTRACTS FISCAL YEAR 2014-15

RCRC MEETING DATE	BOARD AGENDA DATE	DEPARTMENT/PROJECT	NUMBER OF CONTRACTS	RETROACTIVE AMOUNT	COMMENTS
9/25/2014	11/18/2014	Consolidated Fire Protection District of Los Angeles County Lease of the Helitanker - Contract No. 77986	1	\$382,777	Retroactive payments made to Erickson Air Crane, Inc., for services that exceeded the contract sum over one contract year.
9/25/2014	11/18/2014	Consolidated Fire Protection District of Los Angeles County Lease of the SuperScoopers - Contract No. 77594	1	\$2,706,548	Retroactive payments made to Government of Quebec, for services that exceeded the contract sum over two contracts years.
9/25/2014	11/18/2014	Consolidated Fire Protection District of Los Angeles County Turnout and Accessory Cleaning and Repair Services - Contract No. 77449	1	\$207,153	Retroactive payments made to ECMS, Inc., for services that exceeded the contract sum over two contract years.

TOTAL

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\$3,296,478